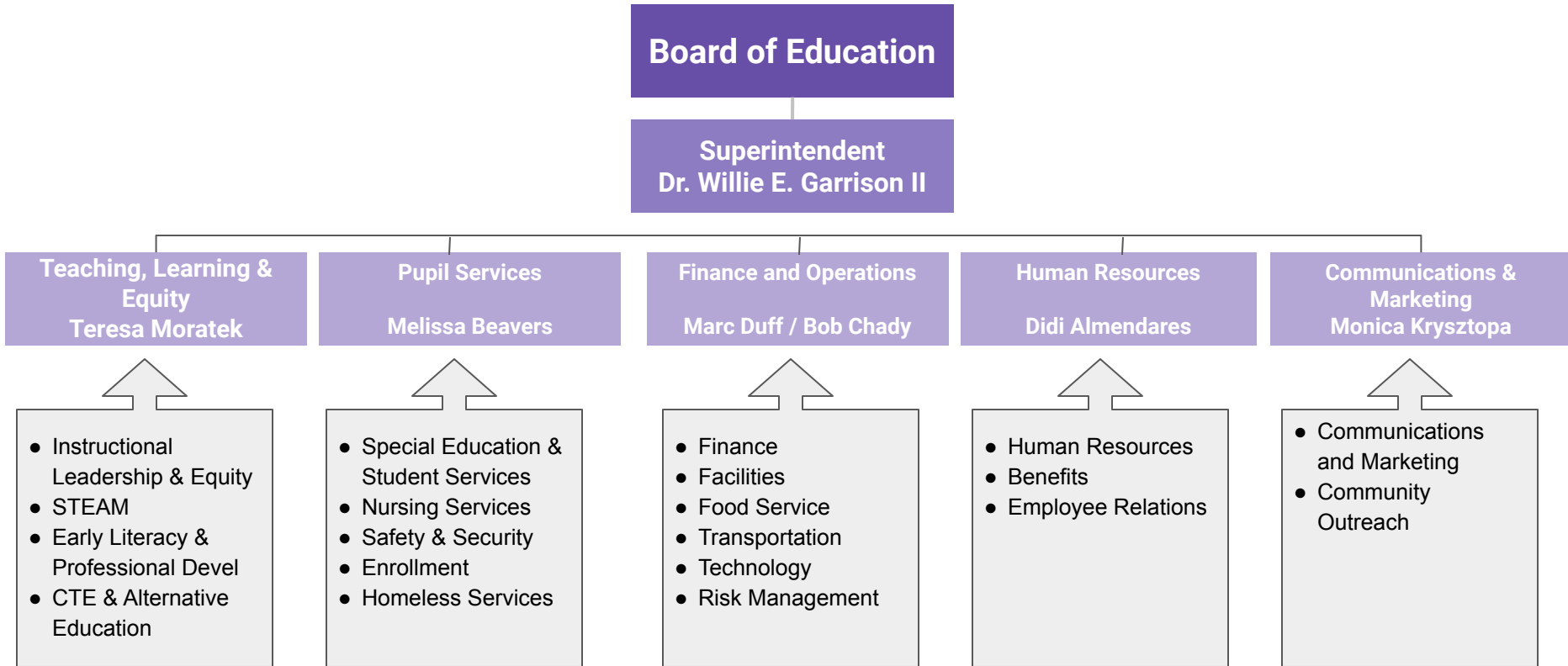


Know Your Local Government Series - *Property Taxes*

Beloit Public Library
February 22, 2023

Marc Duff, School District of Beloit Interim Business Manager

SDB Organizational Structure



SDB Organizational Structure

Board of Education



Sean Leavy
President



Megan Miller
Vice-President



Brian Anderson
Treasurer

The board is responsible for establishing goals, strategic vision, setting policy and overseeing resources for the school district

Board Committees

- Business, Operations, and Finance
- Governance
- Human Resources
- Teaching, Learning, Equity, and Pupil Services
- Policy



Gregg Schneider
Clerk



Amiee Leavy
Parliamentarian



Spencer Anderson
Member



JJuan M. Winfield Sr.
Member

SDB Strategic Plan Priority Overview



EQUITY

The School District of Beloit believes in creating an environment that honors and respects our human differences, works to ensure everyone is welcomed, and is committed to removing barriers and providing support for individuals to achieve their greatest potential.



WHOLE CHILD

The School District of Beloit honors the whole child through our focus on student achievement, social emotional well-being, and health and wellness to allow all our students to thrive, reach their greatest potential, and demonstrate qualities found within our Portrait of a Graduate.



CULTURE AND LEADERSHIP

The School District of Beloit commits to fostering a responsive, caring, and inclusive culture where all feel valued, supported, and hopeful.



ENGAGEMENT

The School District of Beloit nurtures and cultivates an engaged student, family, staff, and community through consistent, proactive connections, clear and relevant communication, and strong relationship building with an emphasis on diversity, equity, and inclusion.



FINANCE

The School District of Beloit displays its fiscal responsibility by ensuring that every dollar spent enhances and adds value for our students, staff, and community.

Objectives and strategies are outlined for each priority area.



SDB Budget Process

2022-23 Budget Timeline

- Feb - Budget priorities and strategies
- Feb/Mar - Dept & School Initial Budgets
 - Entered by Principals and Department Heads
- Mar/April - Staffing Process
- August - Begin Finalizing Budget
- Early October - Annual Budget Hearing on Preliminary Budget
- Sept/Oct - Update Budget / Revenue Limit & Aid Certifications
- October - Adopt Original Budget

SDB Updated Budget Process

2023-24 Proposed Budget Timeline

- Jan - Budget Forecast
- Feb - Budget priorities and strategies
- Mar - Dept & School Initial Budgets
- Mar/April - Staffing
- May - Finalize Budgets and Revenue Projections
-  ○ June - Adopt Interim Budget
- July/Aug - Review Legislative/Governor's action on State Budget & Update Budget
-  ○ September - Annual Budget Hearing
- Sept/Oct - Update Budget / Revenue Limit & Aid Certifications
- October - Adopt Original Budget

School District of Beloit 2022-23 Budget

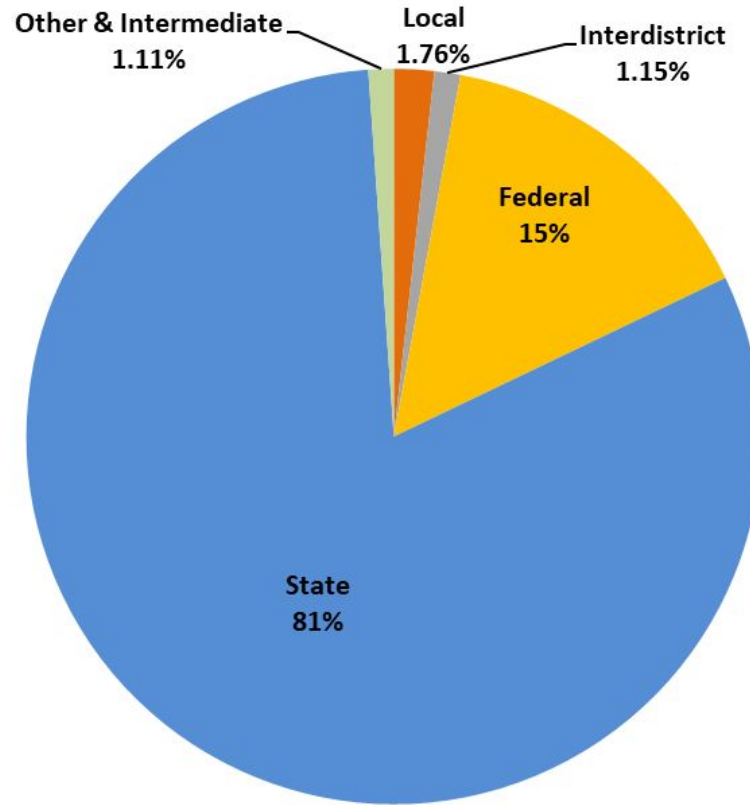
Fund	2021-22 Actual Exp	2022-23 Budget	Pct. Change
General Fund	99,972,368	99,478,529	0%
Special Education	15,860,458	16,398,908	3%
Debt Service Funds	10,149,107	5,132,150	-49%
Food Service Fund	4,020,559	6,086,693	51%
Other Funds (Com Service, Spec Proj, Coop Prog)	209,096	245,932	18%
Total Expenditures	130,211,588	127,342,212	-2%
Interfund Transfers	(9,860,141)	(10,775,167)	
Total Expenditures	120,351,447	116,567,045	-3%

SDB 2022-23 Budget Priorities

- **Literacy:** K-5 materials adoption and professional development.
- **Learn platform** - Audit system for integrated tech to determine which programs are delivering the best outcomes.
- **Math** - curriculum pilots running and professional learning at elementary level. Final adoption of the program will go to the board this spring.
- **Social & Emotional Behavior** - Programs and curriculum for elementary and secondary level students
- **4K Curriculum pilot** - recommend adoption this spring
- **Virtual Learning** - Wisconsin Virtual School program switch due to better meet student needs. Now serving 121 students
- **Career and Tech Ed** - Expanded CTE programs to increase work based learning and certification opportunities

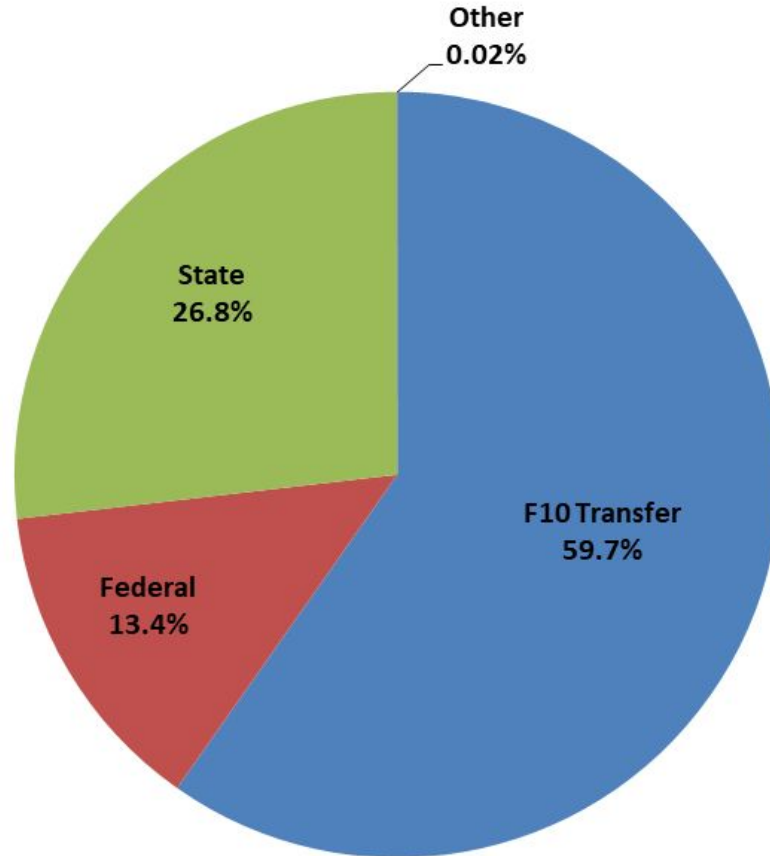
School District of Beloit 2022-23 Budget

General Fund Revenues by Source



School District of Beloit 2022-23 Budget

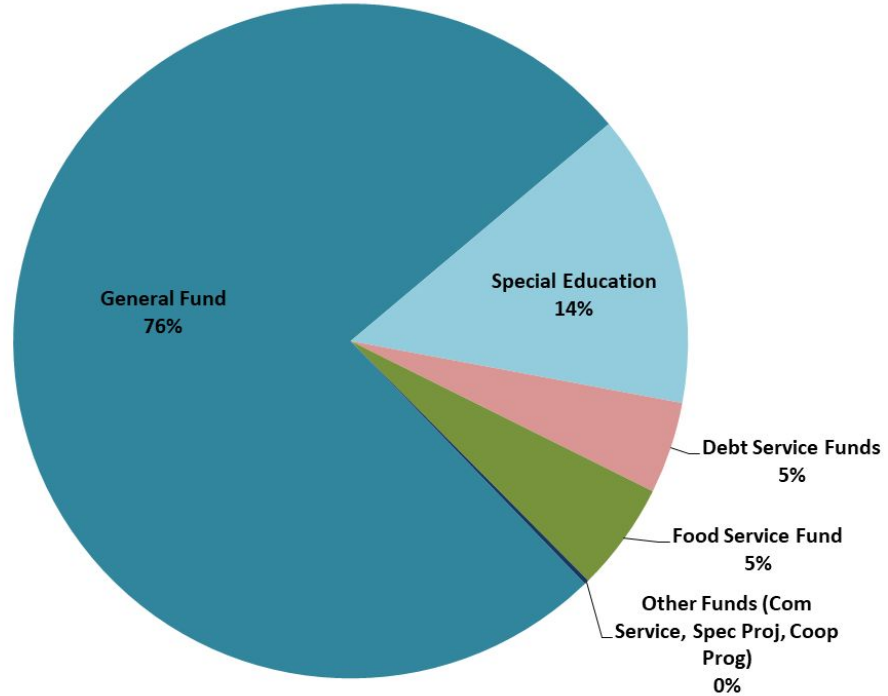
Special Education Fund Revenues by Source



School District of Beloit 2022-23 Budget

School District of Beloit 2022-23 Total Expenditures by Fund

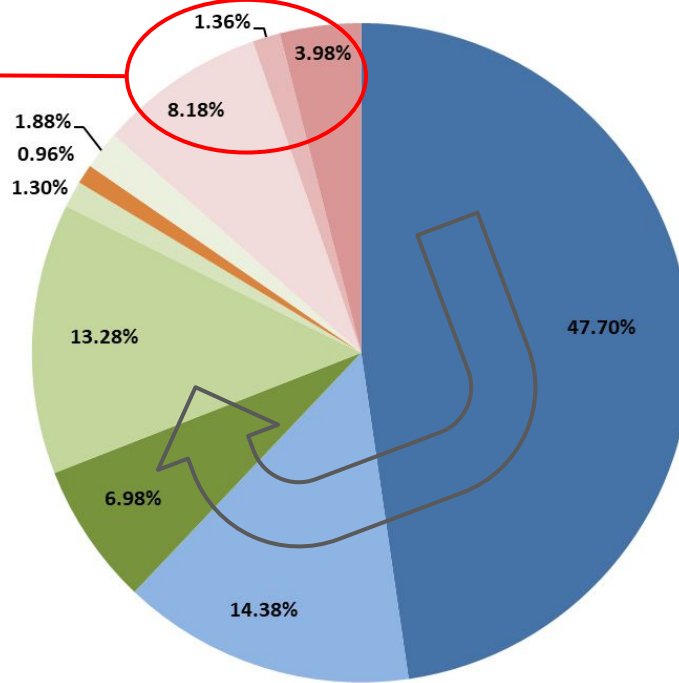
Total Revenues	\$116,567,045
Total Expenses	\$117,999,659



SDB 2022-23 Budget Expenditures by Function

General and Special Education Funds

- Tuition for Independent Charters
- Private School Vouchers
- Open Enrollment Tuition to other School Districts



- Instruction
- Instructional Support
- Administration
- Facilities, Trans, Business Serv
- Central Services
- Insurance & Debt
- Tech & Other Support Services
- Instructional Service Payments
- Private School Vouchers
- Charter School Payments

Expenses by Object for 2022-2023

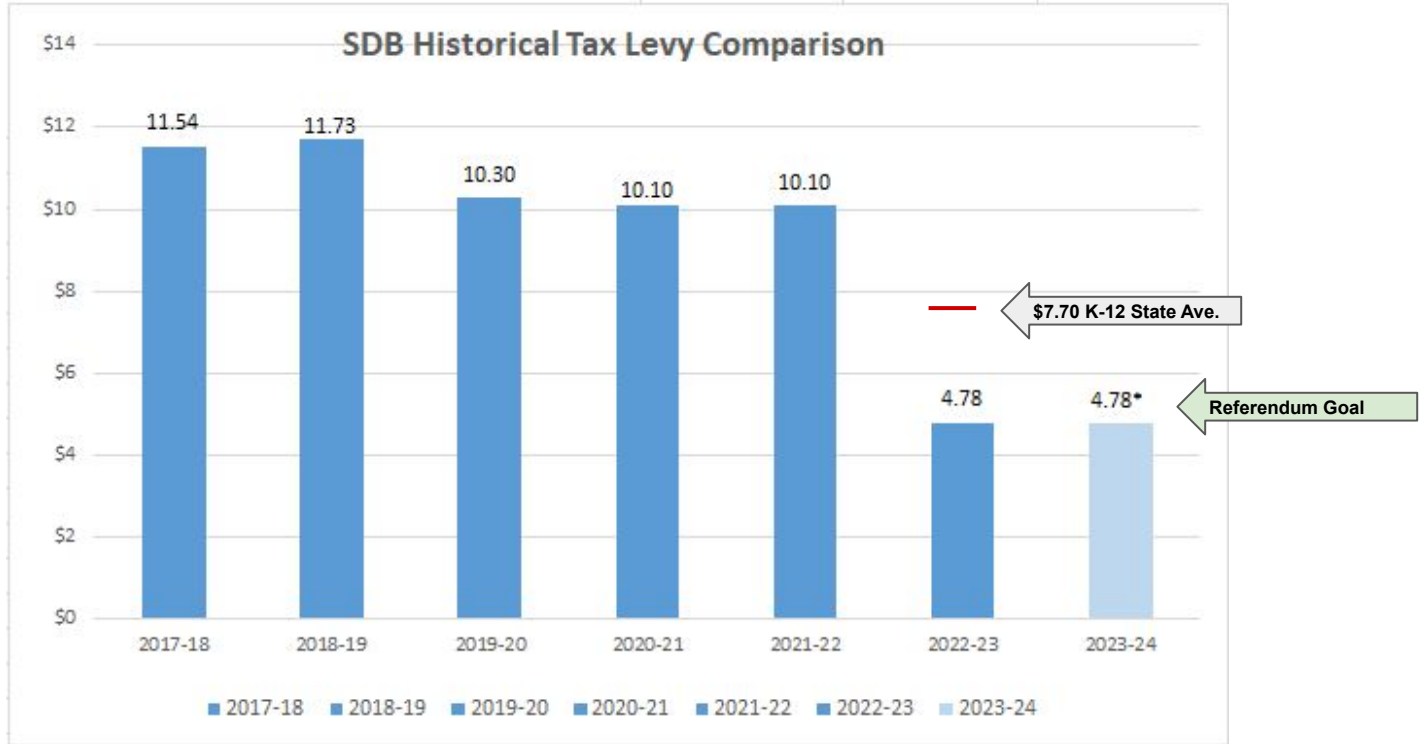
Description	General Fund (10)	Special Education (27)	Total	Percentage of Budget
100 Salaries	\$39,300,136	\$9,363,875	\$48,664,011	42.00%
200 Benefits	\$18,185,010	\$5,074,916	\$23,259,926	20.07%
300 Purchased Serv	\$26,228,497	\$1,834,274	\$28,062,771	24.22%
400 Non-Capital	\$3,231,469	\$124,344	\$3,355,813	2.90%
500 Capital	\$577,571	\$1,000	\$578,571	0.50%
600 Capital Leases	\$434,423		\$434,423	0.37%
700 Insurance	\$574,588		\$574,588	0.50%
800 Fund Transfers	\$10,775,167		\$10,775,167	9.30%
900 Other Objects	\$171,668	\$500	\$172,168	0.15%
Budget Totals	\$99,478,529	\$16,398,909	\$115,877,438	

This area includes tuition payments for charter school, private school vouchers, and open enrollment tuition (\$12.9M)

School District of Beloit 2022-23 Budget

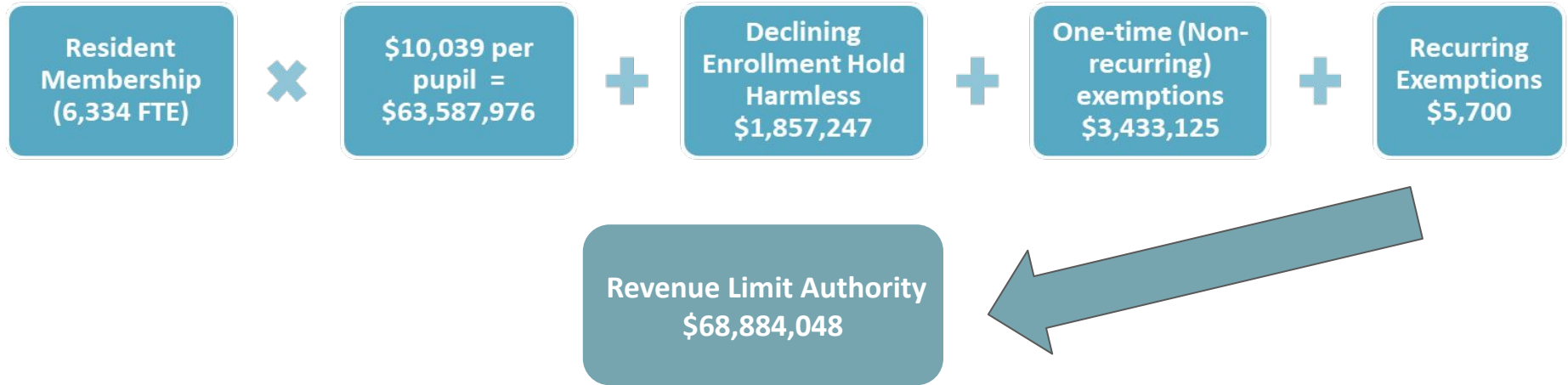
FY23 Tax Rate Influences

- 19.73% Tax Base Increase
- \$6.4M Less Ref Debt Levy
- Aid due to FY22 Expenses



Note: Every 10-cents on the property tax levy equals \$10 on a \$100,000 home

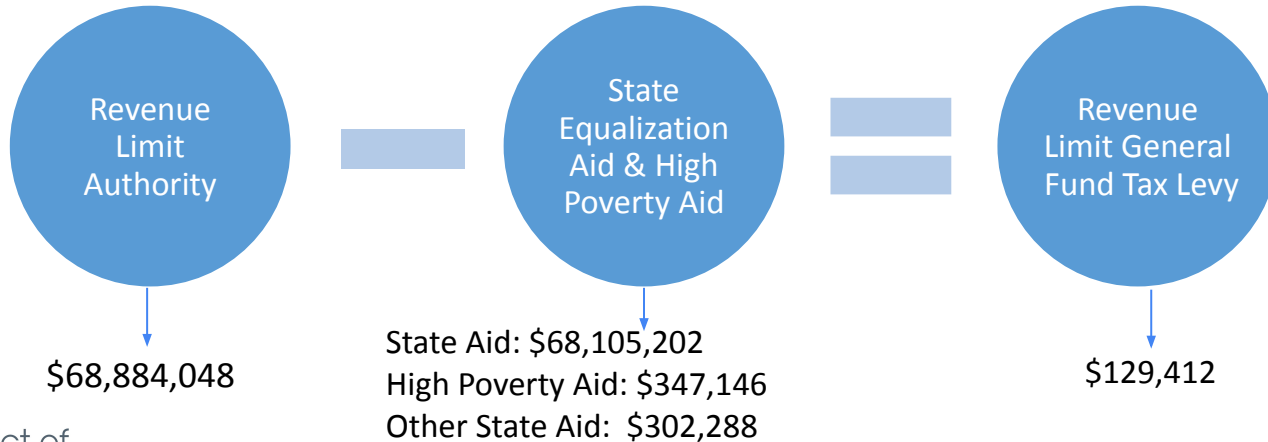
Revenue Limit Authority - Doing the Math



(Three Year Avg FTE 6,334 x Per Pupil \$10,039.15) + Hold Harmless \$1,857,247 + One Time Non-Recurring Exemptions \$3,433,125 (Declining Enrollment = \$1,857,243 + Prior Year Open Enrollment Not Counted = \$149,323 + WPCP & RCPC Parent Choice = \$1,426,559) + Recurring Exemptions (\$5,700 Transfer of Service)

Revenue Limit Tax Levy / General Aid - Do the Math

- General State EQ Aid Increased \$752,175
- Equalized property value (prior year valuation)
 - Determines the percentage of “who pays”
 - Increased 12.5% for 2022 calculation
- Membership
 - Average the last three pupil counts (Sept. 2020, Sept. 2021, Sept. 2022 and Summer School FTE)
 - Pupil counts include Independent Charter and Private voucher school students
- Higher prior year expenses resulted in higher General Aid in current year

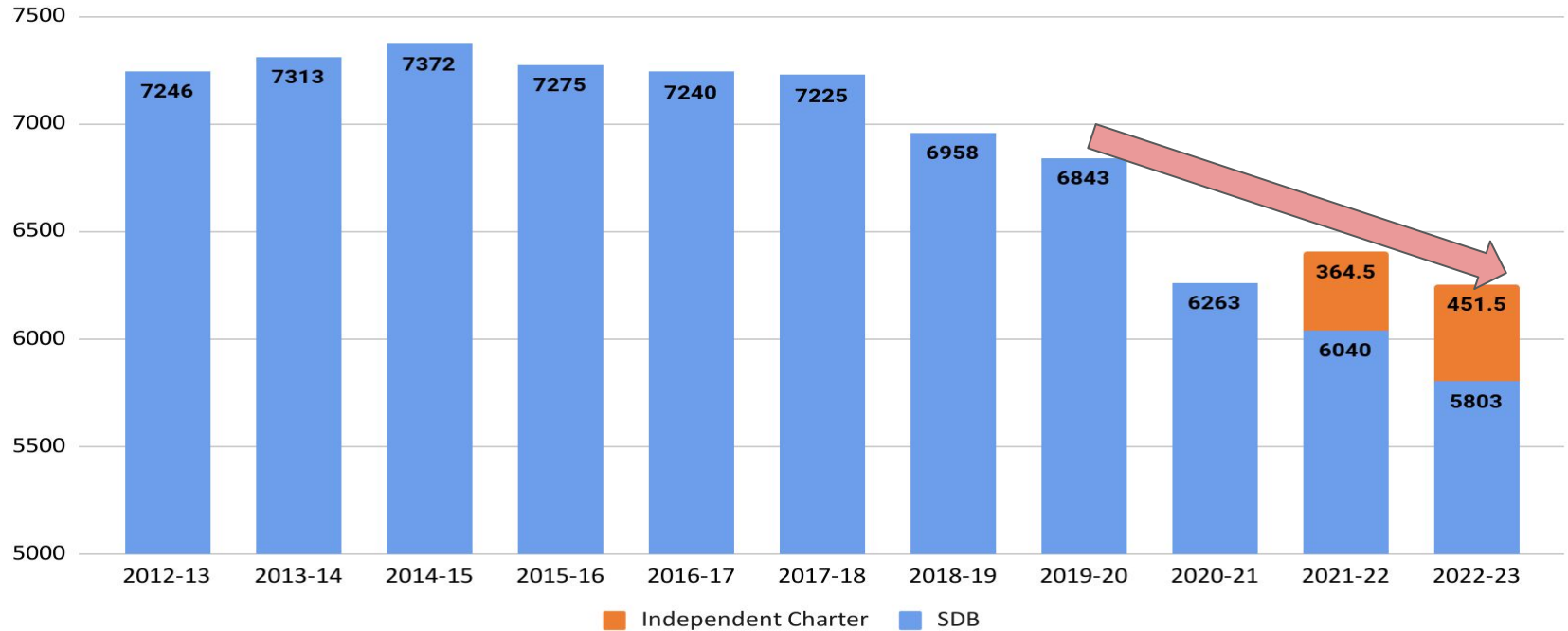


SDB Budget Challenges

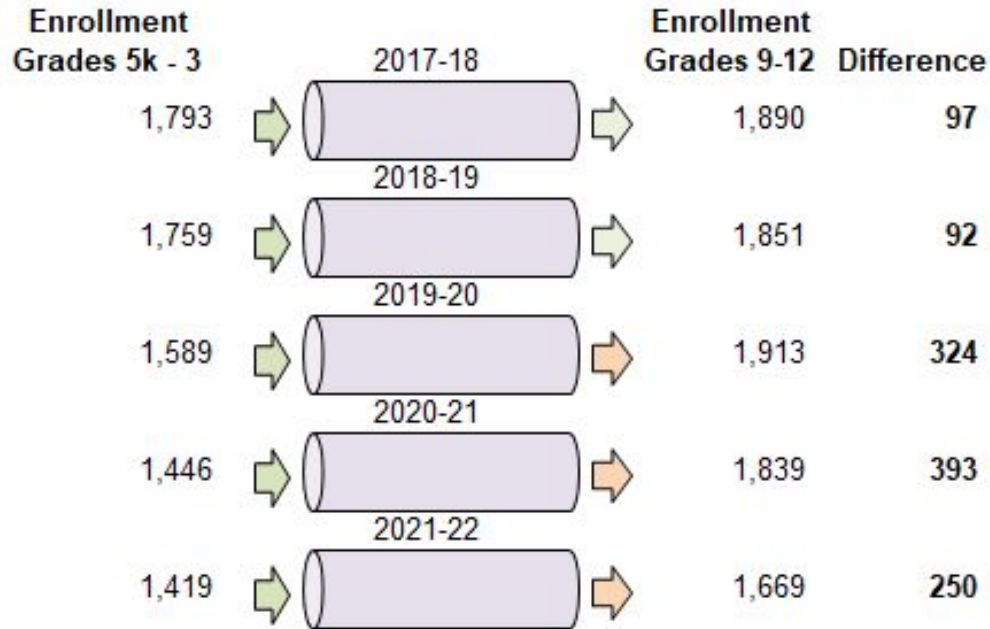
- **Declining Enrollment**
- **Stabilized Finances**
 - **\$0 Increase in State Per-Pupil Funding**
 - **Sustain programs**
 - **Fund Balance Decline**
- **Facility Needs**

- **Reconfiguration**
- **Proposed Referendum**

SDB Revenue Limit Membership History



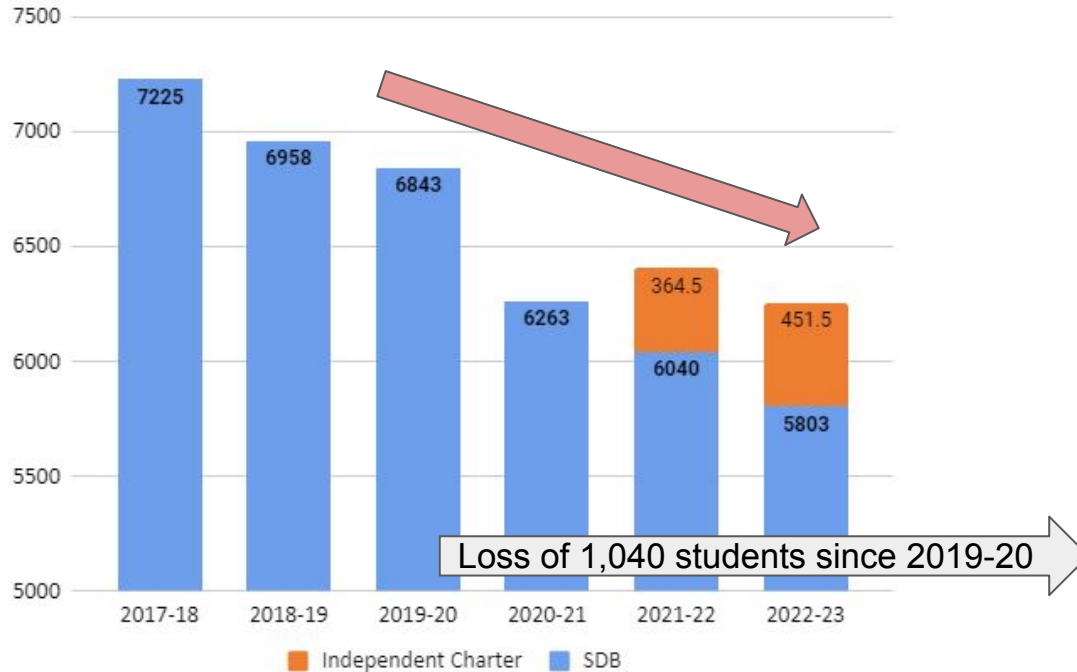
SDB Enrollment Pipeline Challenge



Contributing Factors

- Birth Rate Decline
- Independent Charter
- Private School Vouchers
- Open Enrollment

SDB Enrollment Fiscal Impact - Do the Math



Note: State Revenue Limit provides a 3 year cushion for enrollment impact. **Charter School** enrollment change is immediate causing a greater fiscal challenge.

-1,040 students x \$10,049 = **-\$10,450,960**
Revenue Limit Reduction

Charter School (Lincoln Academy) Impact on SDB

- **Independent Charter:** Lincoln Academy is an independent charter school authorized by the UW System Office of Educational Opportunity. It is not authorized by the school district, but accepts enrollment from area school districts.
- **SDB Tuition Funded:** Funded by tuition paid by school district to the Charter School.

SDB Revenue Limit Per Pupil = \$10,049
Charter School Payment Per Pupil = \$9,264

← Not Apples to Apples
Comparison of Costs

SDB pays \$4,182,696 in tuition to independent charter schools (Lincoln Academy)

- **Enrollment Impact:** Enrollment creates an immediate fiscal impact to the District. Other enrollment declines provides hold harmless & 3 year averaging under the Revenue Limit

Demographic Comparisons - SDB & TLA

	School District of Beloit	The Lincoln Academy (Indep. Charter School)
Enrollment 2021-22	5,534	410
% Students in Poverty	70.9%	59%
% Students with Disabilities	15.3%	8.8%
% English Language Learners	17.7%	12.0%

SDB Budget Challenges - Fiscal Stability

- **Declining Enrollment** - Revenue Limit requires efficiencies so expenses align with student enrollment.
- **Unstable Finances**
 - **\$0 Increase in State Per-Pupil Funding & Expiring Federal Funding**
 - **Structural Deficits** - Significant structural deficits over past and future years
 - FY 2021-22 **-\$6 million**
 - FY 2022-23 **-\$4 million**
 - FY 2023-24 Est **-\$5 million to -\$10 million**
 - **Fund Balance Decline** - Declining Fund Balance (From \$20.4 million to estimated \$9.8 million)

← Proposed Referendum will help restore Fund Balance

SDB Other Budget Challenges

- **Facility Needs** - Referendum passed in 2012. Facility maintenance and improvements still needed. Comprehensive Facility Master Plan in the works to determine investments needed in school buildings.
 - State school finance system assumes referendum approval to meet facility needs.
 - Proposed referendum provides \$19.5 million for HVAC at BMHS & Athletic field and exterior safety improvements & roofing
- **Reconfiguration** - Work in being done to change the grade configuration at the schools.
 - Move to 4K to grade 5 elementary schools & grade 6 to grade 8 intermediate schools
 - Develop more efficient school building use structure

Beloit Proud.

Preparing and
inspiring every student
to succeed in life and
contribute to an
ever-changing world.

